

**BINDAR TRADE AND INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN
INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022
TOGETHER WITH INDEPENDENT
AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM
CONDENSED CONSOLIDATED FINANCIAL STATEMENT**

**BINDAR TRADE AND INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT FOR THE SIX-
MONTHS PERIOD ENDED JUNE 30, 2022**

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Review Report

To the Chairman and Board of Directors of
Bindar for Trade and Investment Company
(Public Shareholding Company Limited)
Amman -Hashemite Kingdom of Jordan
June 30, 2022

Review Report on Interim Consolidated Condensed Financial Statements

Introduction

We have reviewed the accompanying interim consolidated condensed statement of the financial position of **Bindar for Trade and Investments Company – Public Shareholding Company Limited** – (“the Company”) and its subsidiaries (“the Group”) as of June 30, 2022, and the interim consolidated condensed statements of profit or loss and other comprehensive income, the interim consolidated condensed statement of changes in shareholders’ equity and the interim consolidated condensed statement of cash flows for the six-months then ended, and the notes to the interim consolidated condensed financial statements (“**Interim Consolidated Condensed Financial Statements**”).

Management is responsible for the preparation of these interim consolidated condensed financial statements in accordance with IAS 34, ‘Interim Financial Reporting’ as modified by the Central Bank of Jordan instructions. Our responsibility is to express a conclusion on these interim consolidated condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (2410) “Review of Interim Financial Statements Performed by the Independent Auditor of the Entity”. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated condensed financial statements as of June 30, 2022, are not prepared, in all material respects, in accordance with International Accounting Standard number (34) “Interim Financial Reporting” as modified by the Central Bank of Jordan instructions.

Kawasmy and Partners
KPMG

Hatem Kawasmy
License no. (656)

Amman – Jordan
July 26, 2022



BINDAR TRADE AND INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As of June 30, 2022 (Reviewed not audited)	As of December 31, 2021 (Audited)
	Note		
<i>In Jordanian Dinar</i>			
Assets			
Cash on hand and at banks	5	580,334	523,413
Financial assets at fair value through other comprehensive income	6	144,657	146,660
Financial assets at amortized cost	7	80,289,963	65,662,292
Other debit balances	8	459,200	295,245
Investment properties	9	2,856,844	2,860,244
Asset foreclosed against defaulted loans		1,552,280	1,674,879
Right of use assets		177,340	227,386
Property and equipment		263,877	238,910
Deferred tax asset		2,842,475	1,638,388
Total assets		89,166,970	73,267,417
Liabilities and Shareholders' equity			
Liabilities			
Bank loans	10	49,270,032	36,026,930
Trade and other payables		652,588	509,628
Sundry provisions		168,082	32,840
Bonds	12	-	3,000,000
Lease liabilities		165,250	241,997
Income tax provision	11	707,912	1,045,114
Total liabilities		50,963,864	40,856,509
Shareholders' equity			
Subscribed and paid in capital		20,000,000	20,000,000
Share premium		1,602	1,602
Statutory reserve	13	3,467,489	3,467,489
Financial assets valuation reserve		9,604	11,607
Retained earnings		8,930,210	8,930,210
Profit for the period		5,794,201	-
Total shareholders' equity		38,203,106	32,410,908
Total liabilities and shareholders' equity		89,166,970	73,267,417

The companying notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and should be read with it and with the review report.

The interim condensed consolidated financial statements were approved by the Board of Directors on 20 July, 2022 and approved by:

General Manager

Financial Manager

BINDAR TRADE AND INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

<i>Jordanian Dinars</i>	Notes	For the Three - Month Period ended June 30 (Reviewed not audited)		For the Six - Month Period ended June 30 (Reviewed not audited)	
		2022	2021	2022	2021
Revenue and commissions from conventional Murabah and finance leases		2,212,037	1,550,427	4,231,539	3,065,847
Other operating revenue		498,681	414,642	895,537	806,433
Total Revenue		2,710,718	1,965,069	5,127,076	3,872,280
Salaries, wages and benefits		(378,630)	(249,743)	(697,288)	(523,859)
Administrative expenses		(292,307)	(130,934)	(494,740)	(257,278)
Depreciation and amortization expense		(47,176)	(43,284)	(89,165)	(86,959)
Recovered from (Provision) of expected credit losses on financial assets at amortized cost	7	489,452	(564,524)	637,735	(698,794)
Sundry provisions		(64,995)	-	(64,995)	(2,590)
Finance cost		(760,829)	(465,744)	(1,363,725)	(895,980)
Profit for the period from operating activities		1,656,233	510,840	3,054,898	1,406,820
Other Income		-	-	464	-
Gain from the acquisition of a subsidiary	2	-	-	3,596,992	-
Profit for the period before income tax		1,656,233	510,840	6,652,354	1,406,820
Income tax	11	(465,138)	(145,429)	(858,153)	(410,339)
Profit for the period		1,191,095	365,411	5,794,201	996,481
Other comprehensive income items		(1,371)	658	(2,003)	1,607
Total comprehensive income for the period		1,189,724	366,069	5,792,198	998,088
Basic and diluted earnings per share of the profit for the period (JOD / share)	15	0,059	0,018	0,290	0,050

The companying notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and should be read with it and with the review report.

The interim condensed consolidated financial statements were approved by the Board of Directors on 20 July ,2022 and approved by:

General Manager

Financial Manager

**BINDAR TRADE AND INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

<i>Jordanian Dinars</i>	<u>Authorized and Paid-in capital</u>	<u>Share premium</u>	<u>Statutory reserve</u>	<u>Fair value reserve</u>	<u>Retained Earnings</u>	<u>Profit for the period</u>	<u>Total</u>
<u>Changes for the period ended 30 June 2022</u> <u>(reviewed not audited)</u>							
Balance as at January 1, 2022	20,000,000	1,602	3,467,489	11,607	8,930,210	-	32,410,908
Total comprehensive income for the period	-	-	-	(2,003)	-	5,794,201	5,792,198
Balance as of June 30, 2022	<u>20,000,000</u>	<u>1,602</u>	<u>3,467,489</u>	<u>9,604</u>	<u>8,930,210</u>	<u>5,794,201</u>	<u>38,203,106</u>
<u>Changes for the period ended 30 June 2021</u> <u>(reviewed not audited)</u>							
Balance as at January 1, 2021	20,000,000	1,602	2,994,990	12,025	5,996,628	-	29,005,245
Total comprehensive income for the period	-	-	-	1,607	-	996,481	998,088
Balance as of June 30, 2021	<u>20,000,000</u>	<u>1,602</u>	<u>2,994,990</u>	<u>13,632</u>	<u>6,993,109</u>	<u>996,481</u>	<u>30,003,333</u>

* Retained earnings as of June 30, 2022 include deferred tax assets totaling JOD 2,842,475 (December 31, 2021: JOD 1,638,388) restricted and shall not be distributed to shareholders in accordance with Jordan Securities Commissions instructions.

The companying notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and should be read with it and with the review report.

BINDAR TRADE AND INVESTMENT COMPANY
(PUBLIC SHAREHOLDING COMPANY)
AMMAN – HASHEMITE KINGDOM OF JORDAN

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>Jordanian Dinars</i>	<u>Notes</u>	For the six months ended June 30 (Reviewed not audited)	
		2022	2021
Cash flows from operating activities:			
Profit for the period before tax		6,652,354	1,406,820
Adjustments for:			
Depreciation on property and equipment		35,719	33,513
Depreciation on investment property		3,400	3,400
Depreciation on right of use assets		50,046	50,046
Recovered from (Provision) for expected credit losses on financial assets at amortized cost		(637,735)	698,794
Gain from the acquisition of a subsidiary		(3,596,992)	-
Other Income		(464)	
Gain from sales of property and equipment		(12,000)	
Finance cost		1,363,725	895,980
Cash flow from operating activities prior to change in working capital items		3,858,053	3,088,553
Financial assets at amortized cost		(4,940,628)	(6,723,344)
Other debit balances		430,117	(100,806)
Trade payables and other credit balances		73,252	(103,911)
Net cash flows used in operating activities before income tax		(579,206)	(3,839,508)
Income tax paid		(1,110,340)	(921,791)
Sundry provision paid		(21,286)	-
Net cash flows used in operating activities		(1,710,832)	(4,761,299)
Cash flows from investing activities:			
Net cash flow used to purchase a subsidiary		(3,438,366)	-
Proceed from sales of property and equipment		19,019	-
Purchase of property and equipment		(5,771)	(44,516)
Proceeds from sale of assets foreclosed in repayment of non-performing debts		137,898	-
Additions to assets foreclosed in repayment of non-performing debts		(14,835)	-
Net cash flows used in investing activities		(3,302,055)	(44,516)
Cash flows from financing activities:			
Bank loans		9,510,281	7,782,233
Bonds		(3,000,000)	-
Payments of lease obligations		(82,662)	(17,085)
Finance cost paid		(1,357,811)	(886,759)
Net cash flows from financing activities		5,069,808	6,878,389
Net increase in cash and cash equivalents		56,921	2,072,574
Cash and cash equivalents at the beginning of the period	5	523,413	324,743
Cash and Cash Equivalents at the End of the Period	5	580,334	2,397,317
Non-Cash transactions:			
Transferred from financial assets at amortized cost to seized assets against due debts		122,599	245,446

The accompanying notes from (1) to (19) are an integral part of these interim condensed consolidated financial statements and should be read with it and with the review report.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1) GENERAL

Bindar Trade and Investment Company was established in accordance with Companies Law No. (22) for the year 1997 on April 17, 2000 as a Limited Liability Company under No. (6099) with a share capital of JOD 1,000,000 million. The Company became a Public Shareholding Company on August 9, 2004 under No. (351) with a share capital of JOD 13,000,000. The Company is registered in the Hashemite Kingdom of Jordan. The General Assembly of the Company decided in its extraordinary meeting held on March 15, 2008 to increase the share capital from JOD 13,000,000 to JOD 20,000,000, and completed the share capital increase requirements during 2008. The address of the Company is Al Madina Al Munawwarah Street, P.O. Box 1921, Amman 11821, the Hashemite Kingdom of Jordan.

The main objectives of the Company include the following:

- To finance durable consumer goods such as cars, vehicles, furniture, electrical appliances, kitchens, as well as medical and industrial equipment.
- To acquire movable and immovable assets to achieve the Company's objectives including owning names, trademarks and agencies.
- To establish other branches for the Company inside and outside the Hashemite Kingdom of Jordan.
- To borrow and issue corporate bonds of any kind.
- To carry out finance leasing according to the provisions of Islamic Sharia and regulations.
- To finance property including lands, buildings and constructions, as well as contractors' contracts in various economic sectors.

The Company is a member of the Invest Bank Group as its financial statements are consolidated with the Bank consolidated financial statements.

The accompanying interim condensed consolidated financial statements were approved by the Board of Directors on 20 July, 2022.

2) BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

The interim condensed consolidated financial statements for Bindar Trading and Investment Company - Public Shareholding Company - and its subsidiaries have been prepared in accordance with International Accounting Standard No. 34 (Interim Financial Reporting) as modified by the Central Bank of Jordan.

The main differences between the IFRSs as they must be applied and what has been amended by the Central Bank of Jordan are the following:

Provisions for expected credit losses are formed in accordance with the instructions of the Central Bank of Jordan (No. 13/ 2018) "Application of the IFRS (9)" dated 6 June 2018 and in accordance with the instructions of the supervisory authorities in the countries in which the bank operates, whichever is stricter. The significant differences are as follows:

- When calculating credit losses provision against credit exposures, the calculation results are compared according to the International Financial Reporting Standard No. (9) with the instructions of the Central Bank of Jordan No. (47/2009) dated December 10, 2009, for each stage separately and the strictest results are taken in the recognition and then classified in compliance with the instructions of Central Bank of Jordan.
- Interest and commissions are suspended on credit facilities non performing granted to clients in accordance with the instructions of the Central Bank of Jordan According to the instructions of the regulatory authorities in which the company operates, whichever is more severe.
- The interim condensed consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through other comprehensive that have been measured at fair value at the date of these interim condensed consolidated financial statements.
- The Jordanian Dinar is the presentation currency for the interim condensed consolidated financial statements and is the Company's functional currency.

**BINDAR TRADE AND INVESTMENT COMPANY
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AMMAN – HASHEMITE KINGDOM OF JORDAN**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

- These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards as amended by Central Bank of Jordan. Furthermore, the results of operations for the six months ended June 30, 2022, do not necessarily reflect an accurate indicator about the expected results for the year ended December 31, 2022 and should be read in conjunction with the consolidated financial statements of the Company as of and for the year ended December 31, 2021.

Basis of Consolidation of Interim Condensed Financial Statements

- The interim condensed consolidated financial statements include the financial statements of the Company and the subsidiaries controlled by the Company. Control is achieved whereby the Company has the power to govern the financial and operating policies of the subsidiaries to obtain benefits from their activities. All intra-group transactions, balances, income, and expenses are eliminated in full.
- The financial statements of the subsidiary companies are prepared for the same financial period of the Company using the same accounting policies adopted by the Company. If the accounting policies adopted by the subsidiary companies are different from those used by the Company, the necessary adjustments to the financial statements of the subsidiary companies are made to comply with the accounting policies used by the Company.
- The Company has the following subsidiaries as of June 30, 2022, and December 31, 2021:

<u>Company Name</u>	<u>Authorized and Paid in Capital</u>	<u>Ownership Percentage</u>	<u>Main Activity</u>	<u>Location</u>	<u>Date of Ownership</u>
		%			
Rubou Al Sharq Real Estate Company	50,000	100	Sale of land and real estate owned by the Company	Jordan	March 28, 2006
Rakeen Real Estate Company	30,000	100	Sale of land and real estate owned by the Company	Jordan	March 11, 2010
Bindar Finance Lease Company	1,000,000	100	Financial Leasing	Jordan	September 29, 2013
Al Qimmeh Auto trade Facilities company*	2,130,000	100%	Finance lease	Jordan	March 8, 2022

*Based on the decision of the General Assembly of Bindar Trade and Investment Company (subsidiary company) in its extraordinary meeting held on 4 January 2022, it was agreed to purchase the entire shares of Summit Auto Trade Facilities Company for a value of 3,438,366 JOD, as the net assets of the company was 7,035,358 JOD which resulted a gain with an amount of 3,596,992, as the approval of the Central Bank of Jordan was obtained on the acquisition according to their Circular No. (10/2/16687) On October 31, 2021, the acquisition of the company was completed during the first quarter of 2022.

The results of the subsidiary companies are incorporated into the interim condensed consolidated statement of profit or loss from the effective date of acquisition, which the Company assumes the date on which actual control over the subsidiary in. Moreover, the operating results of the disposed subsidiary are incorporated into the interim condensed consolidated statement of profit or loss up to the effective date of disposal which is the date on which the Company loses control over the subsidiary companies.

3) ACCOUNTING ESTIMATES

The preparation of the interim condensed consolidated financial statements and the application of accounting policies require the company's management to make estimates and judgments that affect the amounts of financial assets and financial liabilities and the change in the fair value reserve as well as the disclosure of potential liabilities. Moreover, these estimates and judgments affect revenues, expenses and provisions, as well as changes in the fair value that appear in the interim condensed consolidated comprehensive statement of income and within owner's equity.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

In particular, this requires the Company's management to issue significant judgments and assumptions to assess the future cash flows amounts and their timing. Moreover, the beforementioned assessments are necessarily based on assumptions and factors with varying degrees of consideration and uncertainty.

In addition, actual results may differ from assessments due to the changes arising from the conditions and circumstances of those assessments in the future.

The Coronavirus (Covid- 19) pandemic has spread across different geographic regions of the world, leading to disruption of business and economic activities. The Coronavirus (Covid -19) pandemic has caused suspicion at the global level. Financial and monetary authorities, both local and international, announced various support measures around the world to counter the potential negative impacts, as at the present time, after most countries of the world have removed restrictions and closures, returned to normal life and returned to the gradual raising of interest rates to face the high rates of inflation caused by the fluctuations in the European continent.

At the present time, there is a significant increase in uncertainty in determining the economic impact that follows the possibility of the pandemic ending due to global economic conditions.

The Risk Management Department will continue to closely monitor the situation through its business continuity plan and other risk management practices to manage any potential disruptions to the Company's business, operations and financial performance.

- Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1- In the principal market for the asset or liability, or

2- In the absence of a principal market, in the most advantageous market for the asset or liability,

In measuring the fair value of the assets and liabilities, the Group uses observable market inputs as possible, The Group determines fair value using valuation techniques, The Group also uses the following levels, which reflect the importance of the inputs used in determining the fair value.

- **Level 1:** Quoted (unadjusted) prices in an active market for identical assets or liabilities.
- **Level 2:** input-based valuation techniques with the exception of prices included in level 1 that determine the assets or liabilities directly or indirectly.
- **Level 3:** Methods for assessing assets or liabilities using significant inputs that do not depend on available market information (unobservable inputs) if the inputs used to measure the fair value of the assets.

The Group recognizes transfers between the fair value levels at the end of the reporting period at the same time that the change occurs.

Management believes that the estimates included in the interim condensed consolidated financial statements are reasonable and sufficient.

4) CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

-Adopted accounting policies

The accounting policies applied in these Interim condensed consolidated financial statements are the same as those applied in the consolidated financial statements for the year ended December 31, 2021, except for the new and amended standards or standards amendments that become effective after January 1, 2022, and are as follows:

a- New and revised standards issued and not applied

New standards or amendments	Effective date
Onerous Contracts – Cost of Fulfilling a Contract: Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets	January 1,2022
Annual Improvements to IFRS Standards 2018–2020	January 1,2022
Property, Plant and Equipment – Proceeds before Intended Use: Amendments to IAS 16 Property, Plant and Equipment	January 1,2022
Reference to the Conceptual Framework – Amendments to IFRS 3 Business Combinations	January 1,2022

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

B- NEW AND REVISED IFRSS ISSUED AND NOT YET EFFECTIVE:

- A number of new standards, amendments to standards and interpretations that were issued but not yet effective, and have not been applied when preparing these interim condensed consolidated financial statements:

<u>New standards or adjustments</u>	<u>Application Date</u>
Classification of liabilities into current or non-current liabilities (amendments to IAS 1)	January 1 st 2023
IFRS 17 “Insurance Contracts” and Amendments to IFRS 17 “Insurance Contracts” and IFRS 9 - Comparative Information.	January 1 st 2023
Definition of Accounting Estimates - Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.	January 1 st 2023
Disclosure of accounting policies (Amendments to IAS 1 and IFRS practice statement 2)	January 1 st 2023
Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)	January 1 st 2023
Sale or grant of assets between an investor and an affiliate company or a joint venture (amendments to IFRS 10 and IAS 28)	Optional

The management does not expect that there will be a material impact from the above standards upon implementation.

5) CASH ON HANDS AND AT BANKS

	<u>As of June 30, 2022 (Reviewed not Audited)</u>	<u>As of December 31, 2021 (Audited)</u>
<i>Jordanian Dinars</i>		
Cash on hand	27,118	21,848
Current accounts at bank	553,216	501,565
	580,334	523,413

6) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>As of June 30, 2022 (Reviewed not Audited)</u>	<u>As of December 31, 2021 (Audited)</u>
<i>Jordanian Dinars</i>		
Outside the Kingdom		
Shares of unlisted companies	144,657	146,660
	144,657	146,660

7) FINANCIAL ASSETS AT AMORTIZED COST

Financial assets at amortized cost represent the installments arising from the company's customers from commercial financings and Murabaha contracts of vehicles and real estate, as these installments include the principal in addition to the amount of revenue calculated on these contracts. The installment receivables balances during the period/ year were as follows:

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Due and past due	9,399,011	5,329,395
Due in less than a year	32,203,242	23,881,313
Due in more than one year and less than five years	68,494,403	58,077,808
	110,096,656	87,288,516
Less: Provision for expected credit losses	(10,026,888)	(5,791,580)
Less: Deferred revenues on installments not yet due	(18,232,621)	(15,355,241)
Less: Interest in suspense revenues	(1,547,184)	(479,403)
	80,289,963	65,662,292

The segment distribution of installments receivable was as follows:

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Properties	1,638,139	2,100,069
Vehicles	99,211,389	75,067,064
Projects	6,168,024	7,066,858
Durable goods	3,079,104	3,054,525
Total installment receivables	110,096,656	87,288,516
Less: Provision for expected credit losses on due and past due receivables	(10,026,888)	(5,791,580)
Less: Deferred revenues on installments not yet due	(18,232,621)	(15,355,241)
Less: Interest in suspense revenues	(1,547,184)	(479,403)
Net investment in installment receivables	80,289,963	65,662,292

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The installments receivables after deducting the deferred revenues collectively according to the credit stages according to the requirements of the International Financial Reporting Stanard (9) as follows:

June 30, 2022 (Reviewed not Audited)						
	Stage 1		Stage 2		Stage 3	Total
	Individual level	Aggregate level	Individual level	Aggregate level		
<i>Jordanian Dinar</i>						
Total balance as at the beginning of the period	62,119,891	-	2,048,339	-	7,765,045	71,933,275
Impact of acquisition a subsidiary	7,053,922	-	936,845	-	6,849,445	14,840,212
New facilities during the period	13,952,693	-	72,353	-	119,698	14,144,744
Repaid/ derecognized facilities	(2,392,669)	-	(270,787)	-	(913,316)	(3,576,772)
Transferred to stage 1	548,312	-	(477,157)	-	(71,155)	-
Transferred to stage 2	(4,223,442)	-	4,350,028	-	(126,586)	-
Transferred to stage 3	(1,685,386)	-	(633,604)	-	2,318,990	-
Changes resulting from adjustments	(5,426,674)	-	(86,158)	-	35,408	(5,477,424)
Write-off	-	-	-	-	-	-
Total balance as at the end of the period	69,946,647	-	5,939,859	-	15,977,529	91,864,035

December 31, 2021						
	Stage 1		Stage 2		Stage 3	Total
	Individual	Aggregate	Individual	Aggregate		
<i>Jordanian Dinar</i>						
Total balance as at the beginning of the year	3,085,573	44,697,746	-	2,630,925	6,969,690	57,383,934
New facilities during the year	26,196,583	257,305	138,682	64,945	191,953	26,849,468
Repaid facilities	(340,911)	(9,715,257)	-	(541,634)	(1,381,699)	(11,979,501)
Transferred to stage 1	1,139,729	-	-	(1,044,893)	(94,836)	-
Transferred to stage 2	-	(1,465,353)	1,638,144	-	(172,791)	-
Transferred to stage 3	-	(1,419,537)	-	(847,369)	2,266,906	-
Changes resulting from adjustments	32,038,917	(32,354,904)	271,513	(261,974)	(14,178)	(320,626)
Write-off	-	-	-	-	-	-
Total balance as at the end of the year	62,119,891	-	2,048,339	-	7,765,045	71,933,275

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Movement on the provision for expected credit losses were as follows:

June 30, 2022 (Reviewed not Audited)						
	Stage 1		Stage 2		Stage 3	Total
	Individual level	Aggregate level	Individual level	Aggregate level		
<i>Jordanian Dinar</i>						
Balance at the beginning of the period	910,494	-	184,112	-	4,696,974	5,791,580
Impact of acquisition a subsidiary	351,913	-	174,657	-	4,346,473	4,873,043
Impairment loss on the new balances over the period	168,859	-	78,673	-	(104,125)	143,407
Recovered from impairment loss on repaid balances	(31,849)	-	(202,934)	-	(24,259)	(259,042)
Transferred to stage 1	53,720	-	(47,683)	-	(6,037)	-
Transferred to stage 2	(62,352)	-	69,066	-	(6,714)	-
Transferred to stage 3	(31,216)	-	(65,839)	-	97,055	-
Effect on the provision – As of the end of the period	(417,466)	-	82,673	-	334,793	-
Changes resulting from adjustments	(502,005)	-	(39,049)	-	18,954	(522,100)
Write-off	-	-	-	-	-	-
Total balance as at the end of the period	440,098	-	233,676	-	9,353,114	10,026,888

December 31, 2021						
	Stage 1		Stage 2		Stage 3	Total
	Individual	Aggregate	Individual	Aggregate		
<i>Jordanian Dinar</i>						
Total balance as at the beginning of the year	10,407	475,868	-	153,375	5,217,871	5,857,521
New facilities during the year	369,581	463,639	13,952	124,660	336,993	1,308,825
Repaid facilities	(476)	(96,624)	-	(77,155)	(1,183,710)	(1,357,965)
Transferred to stage 1	68,395	-	-	(60,555)	(7,840)	-
Transferred to stage 2	-	(28,145)	50,816	-	(22,671)	-
Transferred to stage 3	-	(26,784)	-	(60,704)	87,488	-
Impact on the provision as at the end of the year	459,422	(783,662)	118,509	(77,888)	283,619	-
Changes resulting from adjustments	3,165	(4,292)	835	(1,733)	(14,776)	(16,801)
Write-off	-	-	-	-	-	-
Total balance as at the end of the year	910,494	-	184,112	-	4,696,974	5,791,580

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The aging table of the installment receivables after deducting the deferred revenues was as follows:

	As of June 30, 2022 (Reviewed not Audited)		As of December 31, 2021 (Audited)	
<i>Jordanian Dinars</i>	Due and past due installment receivables	Total debt balance	Due and past due installment receivables	Total debt balance
Not due installment receivables	-	67,437,087	-	59,878,550
1-89 days	597,602	10,134,194	223,917	5,275,752
90-180 days	607,110	3,192,527	154,788	726,634
180-270 days	216,563	615,163	99,404	363,332
270-360 days	327,104	782,628	143,678	310,880
More than 360 days	7,650,632	9,702,436	4,707,608	5,378,127
	9,399,011	91,864,035	5,329,395	71,933,275

The management did not write off any non-performing facilities as of 30, July 2022 and 31 December 2021.

Balances of installment receivables include amounts for which the Company has filed legal cases against the customers in order to collect unpaid and due amounts are as follows:

	As of June 30, 2022 (Reviewed not Audited)		As of December 31, 2021 (Audited)	
<i>Jordanian Dinars</i>	Due and past due installment receivables	Total debt balance	Due and past due installment receivables	Total debt balance
Customers balances – legal cases	6,836,854	10,386,358	4,988,361	7,206,684

8) OTHER DEBIT BALANCES

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Prepayments	120,884	116,172
Refundable deposits	63,810	152,439
Other	274,506	26,634
	459,200	295,245

9) INVESTMENT PROPERTIES

The average fair value of the investment properties as of June 30, 2022 amounted to JOD 2,856,844 (December 31, 2021: JOD 2,860,244). Estimated by independent real estate experts as of December 31, 2021. The company's management did not re-evaluate as it does not expect that there will be a fundamental change in real estate investments.

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Balance as of January 1	2,860,244	2,785,895
Recovered from the impairment provision of investment properties	-	81,149
Depreciation during the period / year	(3,400)	(6,800)
	2,856,844	2,860,244

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10) BANK BORROWINGS

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Loans payable within a year	49,270,032	36,026,930
	49,270,032	36,026,930

All these loans are in Jordanian Dinars, and they are granted by the guarantee of the parent company (Tamkeen Financial Leasing) and the ultimate parent company (Invest Bank).

The average interest rate on the above loans ranges from 6.25% to 6.875%.

11) INCOME TAX

The movement in the income tax provision during the period / year was as follows:

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of June 30, 2021 (Reviewed not Audited)
Balance as at January 1,	1,045,114	903,192
Added during the period / year	697,786	1,287,395
Balances result from investing in subsidiaries	75,352	
Previous years income tax	-	13,051
Income tax paid	(1,110,340)	(1,158,524)
Balance as at the end of the period/ year	707,912	1,045,114

The income tax expense presented in the statement of profit or loss and other comprehensive income consists of:

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Income tax expense on current period profit	697,786	592,951
Previous years income tax	-	13,051
Impact of deferred tax assets	160,367	(195,663)
	858,153	410,339

Below is a reconciliation of the accounting income and taxable income:

<i>Jordanian Dinars</i>	For the period ended June 30, 2022 (Reviewed not Audited)	For the period ended June 30, 2021 (Reviewed not Audited)
Accounting profit	6,652,354	1,406,820
Subsidiaries' losses	7,422	7,052
Non-taxable income	(4,457,789)	-
Non-deductible expenses	290,107	703,808
Taxable income	2,492,094	2,117,680
Percentage of statutory income tax	28%	28%

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- A final settlement with the Income and Sales Tax Department was reached up to the end of the years 2018 and 2020.
- The company's tax return for the years 2019 and 2021 was submitted and paid on a upon the legal due date.
- General sales tax returns were audited until the end of the year 2017, and subsequent tax returns were filed o upon the legal due date and the related tax due was appropriately paid up to the date these interim condensed consolidated financial statements.
- The subsidiary (Bindar Finance Leasing Company) reached a final settlement with the Income and Sales Tax Department up to the end of the year 2020, and the tax return for the year 2021 was submitted upon the legal due date and the company has no tax obligations until the date of preparing these interim condensed consolidated financial statements.
- The subsidiary (Bindar Finance Leasing Company) registered in the sales tax starting from January 1, 2017 and the tax returns were submitted and the due taxes were paid up to the date of preparing these interim condensed consolidated financial statements.
- The subsidiary (Ruboua Al Sharq Real Estate Company) reached a final settlement with the Income and Sales Tax Department until up to the end of the years 2018 and 2020.
- The subsidiary (Ruboua Al Sharq Real Estate Company) has submitted and paid the tax return for the years 2019 and 2021 upon the legal due date.
- The subsidiary (Rakeen Real Estate Company) reached a final settlement with the Income and Sales Tax Department up to the end of the years 2018 and 2020.
- The subsidiary (Rakeen Real Estate Company) has submitted and paid the tax return for the years 2019 and 2021 upon the legal due date.
- The subsidiary (Al Qimeh Auto Trade Facility Company) has reached to a final settlement with the income and sales tax department until the end of the year 2019, and has submitted its tax return for the years 2020 and 2021 upon the legal due date and the tax due was paid up upon the legal due date.
- The subsidiary (Al Qimeh Auto Trade Facility Company) has audited the general sales tax returns until the end of the year 2015, the subsequent returns submitted on legal due date, and the tax due was paid up to the date of preparing these financial statements.
- As per the opinion of the company's management and its tax consultant, the company and its subsidiary will not have any tax liabilities exceeding the booked provision as of 30 June 2022.

12) CORPORATE BONDS

This item represents Corporate bonds issued by the Company on June 29, 2021 of JOD 3,000,000 for a period of one year with annual interest rate of 5.25%, the interest is due within six months of issuance date. The bonds matured on June 23, 2022.

13) STATUTORY RESERVE

The amounts accumulated in this account represent 10% of the annual profits before tax transferred in accordance with the Jordanian Companies Law. This transfer shall continue for each year, provided that the total amount transferred from such reserve shall not exceed one quarter of the Company's capital. This reserve is not distributable to shareholders. No reserve has been transferred due to the fact that these financial statements are interim, as they are deducted at the end of the year.

14) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

14-1) Loans and facilities

<i>Jordanian Dinars</i>	Nature of relationship	Nature of transaction	Nature of relationship	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Invest Bank	Parent company (Holding)	Borrowings	Parent company	1,880,719	2,177,636
Invest Bank	Parent company (Holding)	Current accounts and refundable deposits	Parent company	190,543	41,135

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14-2) Transactions with related parties

<i>Jordanian Dinars</i>	Nature of relationship	Nature of transaction	For the period ended June 30, 2022 (Reviewed not Audited)	For the period ended June 30, 2021 (Reviewed not Audited)
Invest Bank	Ultimate parent company (Holding)	Finance expenses of borrowing	52,191	58,365

The balance of guarantees with the parent company as of June 30, 2022 amounted to JOD 1,500 (December 31, 2021: JOD 1,500).

14-3) Key executive management salaries and bonuses

The remuneration and benefits of members of the Board of Directors and Senior Executive Management for the period ending June 30, 2022 amounted to JOD 108,667 (for the period ending June 30, 2021: JOD 107,330).

15) THE BASIC AND DILUTED SHARE OF THE PROFIT FOR THE PERIOD

<i>Jordanian Dinars</i>	For the period ended June 30, 2022 (Reviewed not Audited)	For the period ended June 30, 2021 (Reviewed not Audited)
Profit for the period	5,794,201	996,481
Weighted average number of outstanding shares (share)	20,000,000	20,000,000
	0,290	0,050

The basic earnings per share from the net profit for the period equals the diluted earnings per share as the Company did not issue any financial instruments that may have a dilutive impact on the basic earnings per share.

16) CAPITAL AND FINANCIAL RISK MANAGEMENT

Generally, the Company has exposure to financial risks which are credit risk, liquidity risk, market risk and capital management risk, in general, the Company's objectives and policies in managing the financial risks to which is exposed are similar to those disclosed in the interim condensed consolidated financial statements as of June 30, 2021 and for the year ended December 31, 2021.

- **Capital Management**

The Company did not have any change in capital management during the current interim period and the Company is not subject to any external capital requirements.

17) FAIR VALUE HIERARCHY

The below table analyze the financial instruments carried at fair value by the valuation method. different levels have been defined as follows:

Level 1: quoted prices (unadjusted) for assets or liabilities in active markets. Most of financial assets at fair value through other comprehensive income are in Jordan, Palestine markets and international markets.

Level 2: Inputs other than quoted prices included in level 1 that can be determined for the assets and liabilities, directly (. prices) or indirectly (derived from prices). Prices included in the active markets for similar instruments or by using a valuation model that includes inputs that can be attributed to the markets. These inputs may be determined directly or indirectly.

Level3: Inputs for non-observable assets and liabilities on the market (unobserved inputs).

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- **Assets and liabilities that are measured at fair value:**

<i>Jordanian Dinars</i>		As of June 30, 2022 (Reviewed not Audited)			
	Book value	Fair value			
Financial assets		Level 1	Level 2	Level 3	
Cash on hand and at banks	580,334	580,334	-	-	
Financial assets at fair value through other comprehensive income	144,657	-	-	144,657	
<i>Jordanian Dinars</i>		As of December 31, 2021 (Audited)			
	Book value	Fair value			
Financial assets		Level 1	Level 2	Level 3	
Cash on hand and at banks	523,413	523,413	-	-	
Financial asset at fair value through other comprehensive income	146,660	-	-	146,660	

18) CONTINGENT LIABILITIES

At the interim condensed consolidated financial statement date, the Company has contingent liabilities as follows:

<i>Jordanian Dinars</i>	As of June 30, 2022 (Reviewed not Audited)	As of December 31, 2021 (Audited)
Bank letters of guarantees	65,000	65,000

19) LAWSUITS FILED AGAINST THE COMPANY

The value of the legal cases filed against the Company amounted to JOD 97,835 as of June 30, 2022 (December 31, 2021: JOD 42,840) which are still pending in courts. A provision was booked totaling JOD 97,835 as of June 30, 2022 (December 31, 2021: 32,840). The management and its legal counsel believe that the Company will not incur additional obligations in respect of these cases.

Lawsuits held against Al Qimmah Commercial Facilities Company for Cars amounted to JD 71,917 as of June 30, 2022, compared to (zero JD as on December 31, 2021) which are still pending in courts, In the assessment of the management and the company's legal advisor, there is no need to take provisions against this case at this stage.

There are no cases filed against Bindar for Finance Leasing, Ruboua Al Sharq Real Estate Company and Rakeen Real Estate Company as of June 30, 2022 and December 31, 2021.